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REMARKS

Claims 1-15 were originally presented in the subject application. Claims 1-15 were cancelled and claims 16-47 added in a Response dated August 4, 2004. Claims 16, 20, 28, 33, 34, 36, 40, 41 and 47 were amended in a Preliminary Amendment filed April 8, 2005, with a Request for Continued Examination. No claims have herein been amended, added or canceled. Therefore, claims 16-47 remain in this case.

Applicants respectfully request reconsideration and withdrawal of the ground of rejection.

35 U.S.C. §103 Rejection

The Office Action rejected claims 16-47 under 35 U.S.C. §103, as allegedly obvious over Findley, Jr. et al. (U.S. Patent No. 5,979,773), hereinafter "Findley," in view of Sloan (U.S. Patent No. 6,179,205). Applicants respectfully, but most strenuously, traverse this rejection.

As explained more fully below, Applicants submit that Sloan teaches away from card holder involvement in verification. As such, Applicants submit Sloan is improperly cited against the claims of the present application. Moreover, given the allegation in the Office Action that Findley teaches card holder verification, Applicants submit that such opposite teachings would not lead one skilled in the art to combine Sloan with Findley, and that Sloan is improperly combined with Findley.

Claim 1 recites, for example, that "if the checking indicates no trusted association, then involving the holder of the card in performing card holder verification."

In stark contrast, Sloan teaches (emphasis added):

Some smart card companies, such as Mondex International, currently utilize a wallet which can lock and unlock a smart card. The locking and unlocking

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mechanism utilizes a personal identification number (PIN) to ensure authenticity of the lock or unlock request. However, **many people prefer not to use PINs**. It is a **nuisance** to have to memorize a PIN, particularly if the person already has several PINs memorized. Additionally, a particular PIN **can be forgotten or confused** with another PIN. Further, the need for a PIN requires that the "electronic wallet" device has at least a numeric key pad to enter the PIN. This is **undesirable** for some users who do not want to carry a relatively bulky wallet with them.

What is needed is a system and method for automatically ensuring authenticity for locking and unlocking an application in a smart card which does not require the user to memorize a PIN. Preferably, the system and method may be implemented using a device which does not require the use of a bulky and expensive keypad.

Thus, Applicants submit that Sloan teaches away from card holder involvement in the verification process, and thus, teaches away from the presently claimed invention. Moreover, given the Office Action allegation that Findley teaches card holder involvement, Applicants submit these opposing teachings have two consequences. First, one skilled in the art would not be motivated to combine Sloan with Findley, and second, the combination of Sloan with Findley is improper.

Moving on to the substantive rejection, the Office Action alleges on page two, in the context of alleging that Findley suggests proceeding with card holder verification if there is no trusted association, that Findley teaches information can be added or modified during normal use of the card. The only section of Findley Applicants could find addressing this is at column 4, lines 22-28. However, this section is directed to access cards, and not identity cards. Moreover, the section makes clear that any information that is added or modified is done by the system operator or sponsors, and not the user. Thus, Applicants submit this section of Findley does not suggest card holder verification in the absence of a trusted association.

The Office Action also alleges on page two, again in the context of alleging Findley suggests card holder verification in the absence of a trusted association, that "this practice is well known." However, it is not at all clear exactly what practice is alleged to be well

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known. To the extent the practice is intended to be card holder verification in the absence of a trusted association, Applicants expressly disagree, and in accordance with MPEP 2144.03, request proof of the allegation. Similarly, the Office Action alleges at page four that "it is known in the art when a store card fails the automatic validation, the user is given another option of entering zip code or phone number to complete the transaction." Again, Applicants do not agree, and respectfully request proof of the allegation.

In addition, while Findley does indeed disclose that "[a]ccess cards can be made to expire and/or can be PIN/password protected[,]" there is no mention of using the PIN/passwords when a trusted association between the identity and access cards is missing. In fact, Applicants read Findley as teaching the use of a PIN/password for the access card *in addition to* checking for the trusted association between the cards. Instead, Findley teaches that no trusted association between the cards results in the user being prevented from accessing the stored information. See, e.g., col. 3, lines 47-50 of Findley. Applicants could find no other teaching in Findley regarding any other scenario taking place when an association between the cards is not found. Therefore, it must be the case that the mention of the use of a PIN/password with the access card is simply an additional level of security after finding a proper association between the identity and access cards.

Moreover, even ignoring the above remarks regarding Sloan teaching away from user involvement, Applicants submit Sloan does not overcome the deficiencies of Findley. Similar to Findley, Sloan fails to disclose, teach or suggest a conditional card holder verification procedure in which intervention is suppressed, if there is a presence of a trusted association, but intervention is used, if such a trusted association does not exist. That is, there is no disclosure, teaching or suggestion in Sloan of suppressing involvement of a card holder in performing card holder verification in the event there is a trusted association, and if there is no trusted association, going forward with card holder verification, but requiring card holder intervention.

In Sloan, the smart card device either issues an unlock command, if it has cached a password for the card identifier, or indicates that it is unable to unlock the application on the

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smart card if it has no entry for the card. It does not ask the user for authentication information, if no password is found, as claimed by Applicants. Thus, Applicants respectfully submit that Sloan does not disclose, teach or suggest one or more aspects of Applicants' claimed invention.

Since both Findley and Sloan fail to describe, teach or suggest the conditional aspect of Applicants' claimed invention in which involvement of the card holder in performing card holder verification is suppressed, if a trusted association is present, and card holder intervention is used in the card holder verification, if there is no trusted association, Applicants respectfully submit that the combination of Findley and Sloan fails to teach or suggest one or more aspects of the present invention.

Therefore, Applicants submit that claim 16 cannot be rendered obvious over Findley in view of Sloan.

Each of independent claims 33, 34, 40, 41 and 47 contains, in some form, limitations similar to that argued above with respect to claim 16. Thus, the remarks made above with respect to claim 16 are equally applicable thereto. Therefore, each of claims 33, 34, 40, 41 and 47 also cannot be made obvious over Findley in view of Sloan.

CONCLUSION

Applicants submit that the dependent claims not specifically addressed herein are allowable for the same reasons as the independent claims from which they directly or ultimately depend, as well as for their additional limitations.

Applicants acknowledge the references cited in the Office Action, but not substantively applied. However, Applicants submit that the pending claims are patentable thereover as well.

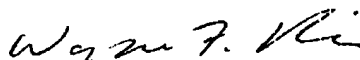
For all the above reasons, Applicants maintain that the claims of the subject application define patentable subject matter and earnestly request allowance of claims 16-47.

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If a telephone conference would be of assistance in advancing prosecution of the subject application, Applicants' undersigned attorney invites the Examiner to telephone him at the number provided.

Respectfully submitted,



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